

May 10, 2002

RE: 8-5000-1841-0993

2444 W 16TH ST FL 2

THE MUSIC ZONE PO BOX 412 RIVERSIDE IL 60546-6412

Dear Customer:

Your total account balance with Peoples Energy is presently \$9,064.63, and \$8,585.99 of this amount is past due gas utility charges.

Your service is at risk of being disconnected. Disconnection of your gas service is both inconvenient and costly. If your service is disconnected, you will be required to pay your total amount due, a security deposit and a reconnection charge to restore your service-

In addition, Peoples Energy reports your payment history to credit bureaus. Your credit rating may be adversely affected for non-payment of your bill.

If you need payment assistance, please call us at 1-866-556-6001 (en Espanol 1-866-556-6003). We have several payment plan options that may be available to you:

Current Plus

You will be billed for your current bill in full each month, plus a portion of your past due bill. A down payment is required.

Levelized Plus

You will be billed for the same amount each month for up to twelve months, with a portion going toward your past due bills and the remainder applied toward future bills. A down payment is required.

Thank you for your attention to this matter. If you have already mailed your payment, thank you.

Resp 8

We would demand that Peoples Gas immediately issue us a corrected bill removing the \$3,135.66 for the period from October 17, 2000, to February 4, 2002, in belated charges, otherwise we will file a Formal Complaint.

Very truly yours,

Robert Habib

RH/ep Enclosure

cc: Peoples Energy 180 E. Randolph Chicago, IL 60601

Attn: Office of General Counsel Peter Brigida, Esq.